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Organization

CONFIDENTIAL.

Paris,  
July 24th, 1926.

MEMORANDUM ON REORGANISATION.

When many of the undertakings, past and present, to which the Rockefeller Foundation has given aid are examined, it is evident that, neither in theory nor in practice, can they be divided along lines corresponding to the different Boards and divisions of the Rockefeller Foundation. In my opinion it is futile to lay such emphasis on the policies and prerogatives of the Divisions of the Rockefeller Foundation that specific undertakings in Field work must usually be dismembered into arbitrary and artificial parts, not only for the purposes of administration but even before they can be given official consideration. Divisional identity has been emphasised to the point of isolation. Rather than adjust our organisation to cope with problems as they occur (and, be it noted that our field is the World and the variety very great), we cut and trim opportunities to fit the narrow and apparently inelastic limits of Divisional or Board policy.

Now, it is clear that for getting work done, assignment and designation of responsibility are necessary. But our difficulties have not come in this phase of work; they have come rather in the selection of programmes, the definition of spheres of work and the determination of policies. The President of the Foundation, in

the task of co-ordinating and controlling the activities of able, experienced and eager Division chiefs, has let the study of new opportunities, the selection of programmes, the determination of policy and the assignment of responsibility be taken away from his office - to become the cause of uncertainty, contention and irritation among the chiefs of Boards and Divisions. Executive heads of Divisions constitute good counsellors for the President and good advocates of their cause before him and the Trustees, but only within certain limits can they be good judges of each other's claims. Under the present organisation, the greater the tension between Boards the more numerous, intricate and formal becomes the machinery for maintaining cooperation. If the President is to continue largely as a moderator between different Divisions, I can suggest no reorganisation which would serve any better than the present arrangement to stave off suspicion and stalemate.

So far as the public is concerned, we might just as well have the Rockefeller Boards incorporated under the title of the "Rockefeller people". Divisional autonomy within the Foundation is equally mysterious and incomprehensible to the public. We are credited with a unity which we spend hours denying, but the lack of it is a continual hindrance and irritation.

The only reorganisation which I believe would be worth making would have these two objects:-

- (1) The guarantee, through a larger concentration of authority in the President's office, that choice of programmes and policies and their assignment for administration shall have the maximum of consistency and adaptability. This would involve the reduction of all present Boards and Divisions to the same status in relation to the President and Trustees. It would also mean that investigation of new fields of work and the adoption of new policies would be a function, not of component Divisions of the Foundation but of the President's office. I would further question the validity of the independence of some of the Rockefeller Boards not at present within the Rockefeller Foundation.
- (2) The other object of reorganisation should be to assure a far greater concern in the choice and training of officers and their assistants. If I make no other point I would ask attention to the selection and training of officers and representatives of these Boards. Only a small part of our work is independently administered by us; we are almost continually dependent upon the co-operation of the recipient, and therefore upon the intelligence, tact and wisdom of our officers. Inevitably we are considered as specialists and consulted as advisers. I have seen, not once but several times, representatives of the constituent Boards of the R.F. chosen by persons ignorant of the intended work, or assigned

to it in haste and inexperience, ultimately to create distress and discredit of the Foundation, themselves, and even the ideas which the Foundation was backing. This is not fair and it is not wise; an organisation depends on men, and a reorganisation should not overlook the constant importance of their selection and further training.

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